

June 15, 2009

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EASTERN DISTRICT OF CALIFORNIA

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T. SCOTT BELDEN, CSB 184387
LISA HOLDER, CSB 217752
KLEIN, DENATALE, GOLDNER,
COOPER, ROSENLIB & KIMBALL, LLP
4550 California Avenue, Second Floor
Bakersfield, California 93309
Telephone: (661) 395-1000
Facsimile: (661) 326-0418
E-Mail: sbelden@kleinlaw.com; tegland@kleinlaw.com

Attorneys for Debtor, V.O. & CO, INC.

UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF CALIFORNIA, FRESNO DIVISION

In re:

V.O. & CO, INC.,

Debtor.

Case No. 08-17239-A-11

Chapter 11

DC No. KDG-16

Date: May 27, 2009

Time: 2:00 p.m.

Place: 1300 18th Street, Suite A
Bakersfield, California

Judge: Honorable Whitney Rimel

**FINDINGS OF FACT IN SUPPORT OF CONFIRMATION OF
FIRST AMENDED PLAN OF REORGANIZATION (MODIFIED)
FILED BY DEBTOR**

I. Introduction¹

Confirmation of the *First Amended Plan of Reorganization* filed by V.O. & CO., INC. ("Debtor") on April 8, 2009, as modified by the *First Modification to First Amended Plan of Reorganization* filed on May 4, 2009, and the *Second Modification to First Amended Plan of Reorganization* filed on May 20, 2009 (collectively referred to as the "First Amended Plan"), came on for hearing on May 27, 2009, at 2:00 p.m. after notice to Debtor, the United States Trustee, all creditors and parties requesting special notice. Appearances were as set forth on the record. The Court reviewed the First Amended Plan, the Worksheets for Determining Acceptance of First Amended Plan of Reorganization submitted by Debtor, the *Memorandum*

¹ The Capitalized terms herein shall have the same meaning as set forth in the First Amended Plan of Reorganization (Modified) filed on April 8, 2009.

RECEIVED

June 12, 2009

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KLEIN, DENATALE, GOLDNER,
COOPER, ROSENLIB & KIMBALL, LLP
4550 CALIFORNIA AVENUE, SECOND FLOOR
BAKERSFIELD, CALIFORNIA 93309

KLEIN, DENATALE, GOLDNER,
COOPER, ROSENLIEN & KIRKALL, LLP
4550 CALIFORNIA AVENUE, SECOND FLOOR
BAKERSFIELD, CALIFORNIA 93309

of Points and Authorities in Support of Confirmation of First Amended Plan of Reorganization Filed by Debtor as Modified ("the Memorandum of Points and Authorities"), the Declaration of Frank Van Ostrand in Support of Confirmation of First Amended Plan of Reorganization Filed by Debtor ("the Declaration of Frank Van Ostrand"), the Ballots on First Amended Plan of Reorganization filed by Debtor (the "Ballots"), and considered the comments made on the record by counsel for Debtor and other counsel.

After determining that copies of the First Amended Plan and the First Amended Disclosure Statement approved by the Court had been served on Debtor, the United States Trustee, all creditors, parties in interest, and parties requesting special notice, the Court makes the following findings as more fully described on the record at the hearing held on May 27, 2009:

II. Findings of Fact and Conclusions of Law

1. *Debtor's First Amended Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* filed on April 8, 2009 as modified by the *First Modification to First Amended Plan of Reorganization* filed on May 4, 2009, and the *Second Modification to First Amended Plan of Reorganization* filed on May 20, 2009, complies with the applicable provisions of Chapter 11 of the Bankruptcy Code and meets the requirements of 11 U.S.C. § 1129 as more fully described below;

2. The First Amended Plan has been proposed in good faith and not by any means forbidden by law;

3. Any payment made or promised by Debtor or the estate for the services or for costs and expenses incurred in connection with the case, or in connection with the First Amended Plan and incident to the case, have been disclosed to the Court;

4. Each holder of a claim or interest of an impaired class that has accepted the First Amended Plan has, or will receive or retain under the First Amended Plan as modified, property of a value, as of the Effective date of the Plan, that is not less than the amount that such holder would receive or retain if the estate was liquidated under Chapter 7 on account of such claim;

KLEIN, DeNATALE, GOLDNER,
COOPER, ROSENTHAL & KIMBALL, LLP
4550 CALIFORNIA AVENUE, SECOND FLOOR
BAKERSFIELD, CALIFORNIA 93309

1 5. The First Amended Plan has been accepted by at least one class of claims
2 impaired under the First Amended Plan excluding insiders of Debtor;

3 6. Confirmation of the First Amended Plan is not likely to be followed by the
4 liquidation or the need for further financial reorganization of Debtor except as proposed in the
5 First Amended Plan; and

6 7. All required Court and United States Trustee fees will be paid before the
7 Effective Date of the Plan.

8 8. The First Amended Plan is fair and equitable as it relates to treatment of the
9 following class of claims that are impaired under the First Amended Plan but did not return
10 Ballots or accept the Plan as required by 11 U.S.C. § 1129(a)(8): The **Class Two** claims of
11 State Board of Equalization.

12 9. Notice of the hearing on confirmation of the First Amended Plan was adequate
13 and, based upon the foregoing, good cause appears for the entry of an Order confirming the
14 Plan.

15 10. The Court will issue a separate Order confirming the First Amended Plan and
16 setting specified deadlines as set forth in the Plan.

17 **Respectfully Submitted By:**

18 KLEIN, DeNATALE, GOLDNER,
19 COOPER, ROSENTHAL & KIMBALL, LLP

20 By /s/ T. Scott Belden

21 T. SCOTT BELDEN

22 LISA HOLDER,

 Attorneys for Debtor, V.O. & CO, INC.

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25 Dated:

Jun 15, 2009


United States Bankruptcy Judge